



PRESS RELEASE



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Federal Government Funding Helps to Convert Motel into Affordable Housing

VICTORIA, British Columbia, September 20, 2004 — The Honourable David Anderson, MP of Victoria, on behalf of the Honourable Joe Fontana, Minister of Labour and Housing, and Gorge Road Properties celebrated the opening of Waterway Apartments today in downtown Victoria. Canada Mortgage and Housing Corporation provided funding of \$882,000 through its Residential Rehabilitation Assistance Program (RRAP) to convert the former Jolly Knight Motel into 49 units of affordable rental accommodation.

"This partnership between the Government of Canada and Gorge Road Properties exemplifies what can be accomplished when we work together," said David Anderson. "Converting existing buildings is an innovative way to address housing needs in B.C."

Gorge Road Properties provided the remainder of funds needed for the project. Rents will include all utilities, including telephone, cable and hydro to make it easier for tenants to budget for expenses.

"It is amazing to see an old, run-down motel turn to a viable apartment block, fully-occupied with a waiting list. We could not have afforded to renovate the building without the RRAP funds," explained Mike Kelly, of Gorge Road Properties Limited. "It is also nice to have the continued support of CMHC with the long-term financing they have insured through their underwriting program," he added.

The Government of Canada, through CMHC, spends over \$226 million in British Columbia annually to primarily assist some 75,300 lower income households, including ongoing financial support for the many non-profit and cooperative housing projects.

As part of Canada's national housing strategy, the Federal Government recently extended funding for CMHC's RRAP and other renovation programs geared towards low-income Canadians for another three years. A total of \$384 million will be available through CMHC for these popular programs nationally. For 2004/2005, the allocation for British Columbia for RRAP and related programs is approximately \$16.2 million. Conversion RRAP offers financial assistance for the conversion of non-residential property into units or beds to create affordable housing for low-income households.

For more information on CMHC's Assisted Housing programs, call 1-800-668-2642.

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Fact Sheet — Renovation Programs

Improvements to the federal renovation programs including the Residential Rehabilitation Assistance Program (RRAP), Emergency Repair Program (ERP), Home Adaptations for Seniors Independence (HASI) and the Shelter Enhancement Program (SEP) were implemented recently to ensure the program is more effective in serving those most in need, including low income Canadians living in substandard housing, Aboriginal people, persons with disabilities and victims of family violence.

The changes to RRAP were made following consultations and an extensive evaluation of the renovation programs. The consultation revealed strong support for continued targeting to those in core need, who occupy housing below a minimum level of health and safety standards. The evaluation indicated the program is well-targeted and effective in preserving the existing housing stock. However, it also indicated that levels of assistance were inadequate for some applicants and had not kept up with the rate of inflation.

The changes included the elimination of the repayable loan and the sliding scale of forgiveness, based on household income; and, an increased maximum limit for forgivable loans. In addition, for Persons with Disabilities a change in the calculation of total household income was included in recognition of the additional costs faced by persons with disabilities; and, the Shelter Enhancement Program is now available to repair, rehabilitate or improve existing shelters for men who are victims of family violence.

RRAP offers financial assistance to low-income households to enable them to repair their dwellings to a minimum level of health and safety, and enables modifications for persons with disabilities. SEP assists in the repair, rehabilitation, purchase or construction of shelters for victims of family violence. ERP offers assistance to low-income households to undertake emergency repairs required for the continued safe occupancy of their home. The HASI program assists low-income seniors to make minor home adaptations to extend the time they live in their own homes independently.

RRAP has been in existence for 30 years and is a cornerstone of Canada's national housing policy. The extension of funding, in 2003, for three years is part of the Government of Canada's national housing strategy, which includes a \$1 billion investment in affordable housing by 2007-08.

In B.C., over \$16 million is available for the suite of renovation programs in 2004-2005.